EXHIBIT D

CASE NAME:	United States v. Jiaqiang
FILE NAME:	
DATE:	
TIME:	N/A
PARTICIPANTS:	UC XU JIAQIANG WAITER
ABBREVIATIONS:	[U/I] Unintelligible [PH] Phonetic spelling

[Background noises 00:00 – 00:49]

WAITER: [U/I].

UC: Oh, thank you. Can I…keep this?

[Background noises 00:53 - 05:19]

WAITER: Is anybody joining you [U/I], sir?

UC: Yeah, somebody will be coming.

WAITER: Sure.

UC: Thank you.

[Background noises 05:23 – 06:31]

UC: Thank you.

[Background noises 06:34 – 14:07]

UC: How you doing?

JIAQIANG: Good.

UC: Yeah?

JIAQIANG: How are you?

UC: Very good. Little tired, but, you know, I don't sleep very well in hotels. I, I, I don't know why I have such a hard time with it but, and I travel all the time. You'd think by now I would be used to it, but no, I'm still not used to sleeping in a hotel, so….

JIAQIANG: Oh…[laughter].

UC: How about you?

JIAQIANG: Yeah, it's good, but I'm still a little bit jetlagged.

UC: Oh, I'm sure.

JIAQIANG: Yeah, so getting up very early this morning.

UC: Oh, really? What time did you get up?

JIAQIANG: Five.

UC: Five o'clock?

JIAQIANG: Oh, yes. [Laughter].

UC: So you've been awake since five?

JIAQIANG: Yeah [laughter].

UC: Oh, sorry.

JIAQIANG: Just do, do something.

UC: Right, right.

JIAQIANG: This, you know, because there is…

WAITER: You want something to drink?

JIAQIANG: …it's okay, some [U/I]…

UC: Yeah, yeah.

JIAQIANG: …work for you?

UC: You want coffee?

JIAQIANG: Okay, sure.

UC: Or there's tea. Whatever you would like.

JIAQIANG: Okay. The coffee. Okay. Thank you. Just because there's thirteen hours time difference.

UC: Thirteen, oh, that's right.

JIAQIANG: Yeah.

UC: You're pretty much the complete opposite of us.

JIAQIANG: Yeah [laughter].

UC: Oh, my gosh. Well hopefully tonight you can get some sleep. We'll see.

JIAQIANG: Yeah.

UC: I don't…

JIAQIANG: Adj…adjust a little, yes. Or [U/I], it would be okay.

UC: Right, right. So you, but you used to live here, though, right? For quite some time. You used to live here for a while?

JIAQIANG: Uh…

UC: In the States?

JIAQIANG: Yes. Five years ago.

UC: Oh, five years ago you lived here.

JIAQIANG: Yes. I lived, I lived here for more than three years. Just to get a, get a Master's degree.

UC: Oh, okay.

JIAQIANG: Yeah. And, and some internships.

UC: Oh, okay. Where…you were in Maryland, though, right?

JIAQIANG: In, uh, Delaware.

UC: Delaware.

JIAQIANG: Univers…University of Delaware.

UC: Gotcha, okay. Nice. But you went back, huh?

JIAQIANG: Yeah.

UC: I was just, so I was, when I was waiting here, while I was just on CNN.

JIAQIANG: Oh.

UC: Did you see this?

JIAQIANG: Ah, yeah.

UC: They're actually shutting things down for a few days because it's getting so bad.

JIAQIANG: Ah, yes, it's kind of, you know, it's kind of, um, normal.

UC: Is that right?

JIAQIANG: Yes, because the air pollution in Beijing is, you know, it's not very, it's very strong...

UC: Yeah.

JIAQIANG: …these days, especially in winter.

UC: Oh, really?

JIAQIANG: Yeah, and, er, government are doing some restrictions that for to, to the industries…

UC: Uhm-hm.

JIAQIANG: …to limit their…

UC: The amount on the pollution?

JIAQIANG: Yes. And also for the household [ph], uh, cars, you know, limit the people to buy cars.

UC: Oh, is that right?

JIAQIANG: Yeah.

UC: They're trying to restrict the amount of cars?

JIAQIANG: Yes.

UC: Yeah, I can't get over that. I mean it's a beautiful city and then all of a sudden it's just, like, covered by all this smog.

JIAQIANG: Yes, so…, but sometimes it's okay.

UC: Yeah.

JIAQIANG: You know, when, especially we, we, um, you know, we, we always wait for the w…wait for the wind, you know. When the wind comes…

UC: Then it cleans it up?

JIAQIANG: Yes. [Laughter]

UC: That's…have you been to LA before, Los Angeles?

JIAQIANG: Oh, no.

UC: Nah.

JIAQIANG: Yeah, but I've been to, uh, San Francisco.

UC: Okay.

JIAQIANG: Yeah.

UC: Well, LA's kinda like that, too, with the amount of smog…

JIAQIANG: Oh.

UC: …it gets…it's a little bit too much. But… So, are you living in Beijing now, or, are you on the outskirts of Beijing? Where exactly are you?

JIAQIANG: Uh, yeah, in Beijing.

UC: In Beijing.

JIAQIANG: Yes.

UC: Do you live alone, or…?

JIAQIANG: Um, I am currently alone, but I intend to marry, get married…

UC: Oh, you have a fiancé?

JIAQIANG: Yeah.

UC: Oh, that's [U/I]. When you getting married?

JIAQIANG: Next, next May.

UC: Oh, next May? Oh, okay. You guys are gonna stay in

Beijing, then, or…?

JIAQIANG: Uh, yes, maybe. [Laughter]

UC: Depends on what happens, right?

JIAQIANG: Yes. Are you the co-founder of your company?

UC: So, um, it's act…actually a good question. So, you know Rog, because I've talked about Rog before…

JIAQIANG: Yes.

UC: …my investor? So, I met up with Rog years ago, and, um, he's actually been funding a lot of my projects, so…

JIAQIANG: Oooh.

UC: …one of the projects that we started was this Armorancap [ph] company, which is, you know, we do a lot of like, pen [ph] testing, we do a lot of, um, cyber security, you know, that's like the threat this day is like cyber security, and you know, the amount of hackers out there. So we, that company primarily deals with that space, but that's just one small project and I'm the lead on that project, but there's, there's, so the actual founder and the co-founder – you're gonna meet later: um, Kim and Lawrence. So that'll be your next meeting, um, so like, that's just one piece of what I do. I have all these other projects. Like, I've been working with Rog for years, and we've, we've had a lot of real good successes, so, I mean, it's been exhausting, cuz I've been travelling a lot doing all these projects, special projects, um, but this is just one more of them, so, it's, it's, it's very lucrative, like it's been doing a really good job – they, they got some, a lot of contracts globally now, um, which is good. So we wanna now start getting this new space, of like big data. I mean that's the new, biggest thing out there, so like, in my mind, you know like, we have a specific need for that in Armorancap, but, you know, knowing that you, like, you have the code, I'm wondering if there's more that we could do even outside of that, so I'm kind of curious about your ideas about that.

JIAQIANG: [U/I] about the Armorancap company. What, what's its main thing it's for?

UC: What's that?

JIAQIANG: I mean, um, what does Armorancap company?

UC: So, a lot of companies will hire us to come in and do audits. So we'll do audits of their networks to see what's going on, but also now what we're doing is we're building security systems, and part of that is secure, secure storage. So…

JIAQIANG: Oh, I see.

UC: …that's the area that we're moving into now, but large data.

JIAQIANG: Large.

UC: Yeah. So, I mean, we've talked a lot already. You know, I already got to know you, we've had a lot of chats, um, you know, this is not an interview. Like, I brought you here cuz I believe, you know, that you're a good person to, kind of, fill this, sort of, need for Armorancap. But also, I mean, the mere fact that you have access to a lot of that code is great, you know what I mean? Cuz that, that's the world we're moving into right now. So, um, right now, I mean I just want to chat with you a little bit more, um, but, you're gonna meet with the folks later on. That's where you're gonna have to, kinda, sell yourself in terms of, like, working on that project, the [U/I] project. So, that's gonna be a little bit later – probably around two o'clock we'll meet with them. Um, they're gonna meet us – we have a suite upstairs that we're gonna meet. And it'll be, uh, Rog will be there, Lawrence will be there and Kim will be there. And they'll, they'll ask you more like, more like interview questions, because, you know, I've been vouching for you all this time saying that, you know, you, we should definitely bring you in. They're gonna come in and actually ask you some, just some more questions, like, kind of about your background. So just, you know, talk about what you've done in the past, who you've worked for, um, the projects that you've worked on, things like that.

JIAQIANG: Oh, I see.

UC: So….

JIAQIANG: Um, I, I got the point. So, um, they are co-founders?

UC: Yup.

JIAQIANG: Armorancap company?

UC: Yeah, yeah. So, it's, it's a very new company, but the reality is there's so much business right now that we, we, we are aggressively pushing to expand more, um, so…

JIAQIANG: How, how many people are…?

UC: Well, so, we have, a lot of it's like subcontracted out, so we have, have the founders, co-founders, and then we bring people on with special needs, and then we're starting to fill out the team as we see fit. But like for example, if we get a project, like a government contract, we'll bring in individuals to help do that project. Cuz, you know, so many firms out there that actually offer a lot of these services. So we partner with a lot of them also. So right now, it, it's a small company, but we're starting to expand just because we have to. But what I want to do is I want to start talking to you more, though, like, what else we can do. You know, like, you have, you have, you know, a very unique skill set and, you know, the…this code that you keep talking about, like I want to talk more about that, like, have you done anything with that before? Like, have you used it for anything else?

JIAQIANG: Hm…yes.

UC: Like what kind of projects have you worked on? I'm just wondering if there's some things that we could do here, cuz the reality is we already have a lot of these contracts in place.

JIAQIANG: Uh-huh.

UC: If we could sell some new services to them, that would be great.

JIAQIANG: Yes. I, I, I, I understand. But, um, cuz you know something I'm, I did before that is do some kind of, you know, further hyperconverged infrastructures.

UC: Okay.

JIAQIANG: That is, you know, build clusters, and, er, build, er, distribute storage over the cluster.

UC: Clusters in distributed storage?

JIAQIANG: Yes.

UC: Okay.

JIAQIANG: And, er, [U/I] computing over that.

UC: Hm. Did you do that for a company, or…?

JIAQIANG: Actually, yes, we, actually, yeah, that is, I tried that in, in my last company.

UC: What was, company was that?

JIAQIANG: Uh, it's King Soft [ph] company.

UC: Oh, King Soft.

JIAQIANG: Yeah.

UC: You don't work there anymore?

JIAQIANG: Yes. Actually, so, I just wanted to talk with you this time, and I also, uh, you know, establish a start-up.

UC: Oh, you did?

JIAQIANG: Yes.

UC: Oh, interesting.

JIAQIANG: Yes, and, er, um, and, er, some other guys. And we, we also hired from the giants internets in China, and, er, we have a lot of talent people there. And, er, actually we have already got some capital raising.

UC: Oh, you do?

JIAQIANG: Yes.

UC: Capital raising? Is that what you…?

JIAQIANG: Yeah, yes.

UC: Uhm-hm.

JIAQIANG: Um, actually we get, um, transfer to US dollars, about three million.

UC: Oh, that's good.

JIAQIANG: Yes.

UC: That's a good start.

JIAQIANG: Yes, start.

UC: Who are those investors?

JIAQIANG: Um, it's, they're, it's, they're ranked first in China…

UC: Direct...?

JIAQIANG: …in 2015. Yes.

UC: It's called Direct First?

JIAQIANG: No, no, no. I mean, it ranked first. I mean the name…

UC: Oh, ranked first. Gotcha.

JIAQIANG: Yes. And, er, it's the, the name is Fortune Venture Capital.

UC: Fortune Venture Capital.

JIAQIANG: Yes. And it has lot of money and a lot of, uh, companies it in…it invested before.

UC: Hm.

JIAQIANG: And some of them have already IPO.

UC: Oh, okay. Well that's good for you guys.

JIAQIANG: Yeah, yeah. Yes, and, er, we are trying to do some things, and that's also, um, I think it's a good opportunity for us to collaborate further…

UC: Uhm-hm.

JIAQIANG: …and profoundly.

UC: Okay, yeah.

JIAQIANG: It's time with you or with Armorancap company…

UC: Okay.

JIAQIANG: Yes.

UC: Can you, can you tell me a little bit more about what you did with King Soft, then, in terms of the distributed storage? Using that code?

JIAQIANG: Um, we just, er, no, you know, because we build up the, their storage, storage cluster…

UC: Uhm-hm.

JIAQIANG: …and, er, use, use that to, you know, to, to provide storage to their app [ph] they are running or to machines.

UC: Oh, I see.

JIAQIANG: Yes.

UC: And were you able, did you, were you able to modify some of the code to su..suit their needs? Or did you just use it the way it was? Like, how did you do that?

JIAQIANG: We modified it.

UC: Oh, so you brought a team in and they looked at that code, or…?

JIAQIANG: Yeah, I, I, yeah, I modified a lot.

UC: You did, or somebody else did?

JIAQIANG: I did.

UC: Oh, you did, okay.

JIAQIANG: Because only I have the code. [Laughter]

UC: Oh, so you, your, you know that pretty well, though, you like, you understand how all that code…?

JIAQIANG: I understand, but, you know, but, but if we, we meet further, and you will see the code is, is a huge. It's a giant.

UC: Is it?

JIAQIANG: Yeah.

UC: How big is that code?

JIAQIANG: Um, it's two thousand million lines of code.

UC: Is that right?

JIAQIANG: Yes.

UC: Oh my god.

JIAQIANG: So, it's very…because you know, it's accumulated for about twenty years.

UC: Yeah. I mean…

JIAQIANG: Back to eighties.

UC: That'd be hard to recreate that, huh?

JIAQIANG: Yes. It's a huge, huge project. And it has a lot of fantastic features.

UC: Mmm.

JIAQIANG: And we, and I can leverage and do a lot of things. And, er, it is originally set up as storage system for SAN [ph], you know, the share disc [ph] storage system.

UC: Why don't or…order some breakfast?

JIAQIANG: [U/I] this one?

UC: You want a breakfast burrito?

JIAQIANG: [U/I].

UC: …get what you want.

WAITER: Want the salmon, chorizo, or the beef?

JIAQIANG: The beef?

WAITER: Beef? Sure. For you sir?

UC: I will have your healthy snack.

WAITER: Healthy snack. [U/I]…more coffee

UC: Thank you.

JIAQIANG: Hm…later, um, it, you know, it is used…there is a, there is a company for this, Simplevicity [ph].

UC: What is it?

JIAQIANG: Simplevicity. In, in USA.

UC: Simplevicity?

JIAQIANG: Yes. It's a company, and it, I, um, I heard about that before, and, it also u, u, utilize to get this code to, to, to start up its company, but later it changes.

UC: Oh, but they used IBM's GPFS [ph]? Or they created their own altogether?

JIAQIANG: They, no, they just, they used some RPMs [ph]…

UC: Oh, I see, gotcha,

JIAQIANG: …yes, in the start-up. Later, when it, it got bigger, it just do some changes….

UC: So, I mean. That took twenty years to write that code?

JIAQIANG: Yeah.

UC: I guess they probably modified it over and over again.

JIAQIANG: Yes.

UC: Gotcha.

JIAQIANG: Yeah, the prototype and, er, make it production, about six to seven years.

UC: Uhm-hm.

JIAQIANG: And later they do a lot of features, and adv…advanced features, quite a lot of things.

UC: What did, what kind of customers did, were they targeting when they were writing this?

JIAQIANG: Uhm, uh, originally, they, they are written for super computers.

UC: Uhm-hm.

JIAQIANG: And, er, for meteor systems.

UC: Meteor?

JIAQIANG: Yes, meteor.

UC: Okay.

JIAQIANG: And, later, um, later it becomes general. A lot of people [U/I] use it [U/I].

UC: Oh. So, like, for, like, when King Soft built this, like, who was using it? What, what kind of customers would use that system that you built? [To waiter:] Thank you. [To JIAQIANG:] I'm just trying to understand who we might be able to start targeting…

JIAQIANG: Um, for the cloud computing, it's just one of the, uh, main scenarios you can provide – it's just, er, a public cloud…

UC: Uhm-hm.

JIAQIANG: …you know, there's, they use it online, they ran their virtual machines.

UC: Uhm-hm.

JIAQIANG: Yeah.

UC: I see. Did you, did you guys get to do anything, like, with governments? Cuz we want to move into that market, like, targeting some, like, gover…governments, cuz it seems like there's a need. Were you guys able to do anything with that?

JIAQIANG: Yes. [U/I]…you know, for the, uh, for the property [ph] cloud, you know, there are all kinds of customers.

UC: Uhm-hm.

JIAQIANG: But, um, in terms of the company I start up, um, we are doing private cloud.

UC: Private cloud.

JIAQIANG: Yes.

UC: So what does that mean?

JIAQIANG: That aims, you know, that is, uh, trying to ex…trying to change, uh, the, trying to change the data centers. And, er, into, into what we call the hyperconverged infrastructure.

UC: Uhm-hm, yep.

JIAQIANG: And, er, to provide the cloud computing resources to their, you know, to, to the, to its, for its internal use.

UC: Oh, I see.

JIAQIANG: Yeah, so it [U/I] private cloud, maybe it has some sub-branches, or some sub-companies…

UC: Uhm-hm.

JIAQIANG: …for a giant company, so they can use it.

UC: So this start-up, do you already have clients? Or you still building up your product?

[30:03]

JIAQIANG: We have already several customers and we have already do 10,000?

UC: 10,000…

JIAQIANG: 10,000 RMB [PH] it's about, it's about 200, 200 million

UC: 200 million what…?

JIAQIANG: Uh, US dollar. Um…

UC: That's your revenue?

JIAQIANG: It's not revenue, but…total income

UC: Oh, total income?

JIAQIANG: Yeah.

UC: So your start-up has that much?

JIAQIANG: Yeah.

UC: Oh, I see. So who are your customers then? So who are you targeting?

JIAQIANG: Um, customers… The first customer is the healthy, uh, bureau, bureau in China.

UC: Healthy bureau in China?

JIAQIANG: Yeah.

UC: Is that like a government agent in China or something?

JIAQIANG: Yes, gov…,yes, government.

UC: OK, so you are actually working with some [U/I] on this stuff.

JIAQIANG: Yes. And, uh, we are doing, you know, rendering two, two data centers to active, active, to active, active, um, backup. And, er, each of their data centers are, you know, provide their private cloud.

UC: Hmm. So are you considered like the founder of this company Or…

JIAQIANG: Yes.

UC: OK. What's the name of it? What do you call it?

JIAQIANG: Verakeet [ph].

UC: Do you have like a card or anything like that or no?

JIAQIANG: Uh, yeah.

UC: Can I have one?

JIAQIANG: [Laughter] Sorry.

UC: No, that's alright.

JIAQIANG: [U/I].

UC: Oh OK.

JIAQIANG: [U/I] started for a while.

UC: How long as it been?

JIAQIANG: About, uh, several months.

UC: Oh, several months.

JIAQIANG: Uh, yes, but actually it has already passed a round "A" capital raising and it's, is, it's also expanding now.

UC: Is it? How many employees do you have now?

JIAQIANG: Right now it's thirty people.

UC: Hmm.

JIAQIANG: Yes, full contract.

UC: After…wow, that's really good that you're able to expand that quickly.

JIAQIANG: Yes. And, uh, can do a lot of things. Yeah, and…

UC: But you were able to build that based on some of the code that you had then?

JIAQIANG: Yes.

UC: Oh wow, that's great.

JIAQIANG: Because, you know, it's different. Because for storage systems, one of the most [U/I] thing is, is stable.

UC: Hmm, right.

JIAQIANG: Yes, and their performance is another thing but the most important is stable.

UC: Yeah, you gotta make sure it's up all the time.

JIAQIANG: Yes. All the time.

UC: Uptime [ph] is big.

JIAQIANG: Because they're most online thing. So, um, we have very strict, er, we have very strict, um, rules, into change the code, and, you know. Because if, you know, there are a lot of open source things on website and you can download and a lot of things company people are trying to use. But it's not really for production environment.

UC: Well that's what I was wondering because I know there's open source versions of GPFS out there and I was just wondering why we don't just go with something like that?

JIAQIANG: Open source?

UC: Yeah, open source GPFS.

JIAQIANG: Uh no, that's not open source, that's just one part of the code is open source.

UC: Oh it's just a small piece?

JIAQIANG: That is for…, yes. That is for the GPLs for the [U/I] things, that's, that's open source, but most of the part is not, yeah.

UC: Hmm.

JIAQIANG: So, so, that is, you know, that is, so for GPFS, it is very stable.

UC: Yeah.

JIAQIANG: Also there are a lot of things we can't optimize. A lot of parameters, thousands of them.

UC: Hmm, right, to really customize it.

JIAQIANG: Yes, to customize for several kinds, all kinds of scenarios and yes. So, it needs very high skill. Yes, especially-

UC: Hm. And you have guys that know that stuff too? They know how to program?

JIAQIANG: Uh, yes.

UC: That work with GPFS? So it's not just you that's modifying it. There's other guys that know how to do this?

JIAQIANG: Uh, there's another guy.

UC: Oh, one other guy?

JIAQIANG: Yes, we, er, operate together.

UC: Hmm.

JIAQIANG: He's also one of my previous colleagues in IBM.

UC: Oh, really?

JIAQIANG: Yeah, he also worked…

UC: What, what's his name?

JIAQIANG: Tao Win [ph].

UC: Oh [laughter].

JIAQIANG: Yes, he also, he also worked there for several years.

UC: When you were working, you worked with him there?

JIAQIANG: Yes.

UC: Oh, I see.

JIAQIANG: We are, so we are also together working on GPFS.

UC: Oh that's perfect. So you guys both know this very well?

JIAQIANG: Uh, yeah.

UC: [Laughter] that's good.

JIAQIANG: So we can do a lot of things there and do them changes, you know, because, because the code path of GPFS is very long. Sometimes…

UC: The what is, I'm sorry?

JIAQIANG: The code path.

UC: Oh, code path? Yeah.

JIAQIANG: Yes. So we do some, we do some changes of that too but we need to guarantee its integrity and stability and we do some things to, to optimize the performance.

UC: Oh, OK. So you're constantly modifying this.

JIAQIANG: Yes. But you know we, we do not touch, we do not change the very, very low level things because that is some, you know, that is something that is not very recommended to do.

UC: Uhm-hm.

JIAQIANG: Yes, just we, we do some optimizations globally and uh, and uh, we need to, and we, and we just shorten some of the code there.

UC: Oh.

JIAQIANG: Because some of the code are useless, especially for example we are doing, doing cloud computing…

UC: Uhm-hm.

JIAQIANG: It's useless for this scenario, it's, it's written for some other scenarios…

UC: Oh.

JIAQIANG: So we try to shorten the code.

UC: So you'll just modify it for whatever purpose you need it so you're not in the full blown package?

JIAQIANG: Yes.

UC: So would you, do you essentially manage it or would you like, do you modify the code and do an instillation for a specific customer and then that's an environment just for them? Or do you guys have your own data center where you manage this all this yourself? Like is there multiple instances [ph] out there for each customer or…

JIAQIANG: [U/I] we install for each customer.

UC: For each customer? Oh ok.

JIAQIANG: Yes. [U/I] Actually we, actually we modify all the things just you know so people cannot, cannot see, see out of their, you know cannot, uh, cannot guess what it is, just uh, you know, we change all the commands.

UC: Oh you change it…

JIAQIANG: Yeah.

UC: …so it doesn't look like IBM.

JIAQIANG: [laughter] yeah.

UC: Probably a good idea, right?

JIAQIANG: Because, you know, it's start-up, just you know, you need to, you know, we don't have too many, too much time to, you know, to, because we just need to survive.

UC: Right I hear you.

JIAQIANG: [Laughter]

UC: Right.

JIAQIANG: Yes and…

UC: Like, what do you think would happen, like if IBM found out that you were using that?

JIAQIANG: Um… Truly, truly I think in China it's kind of different.

UC: Is it? I don't know, I've never been there.

JIAQIANG: Yes, it's kind of different, no one cares, concerned about that.

UC: They don't care about that?

JIAQIANG: [Laughter] Yeah, they don't care about that, and, uh, actually but in US it's quite different.

UC: Yeah.

JIAQIANG: Yes, and, but, but…

UC: Like if it was like here in the US…

JIAQIANG: But, but, but, because I just mentioned Simplevicity [ph] they also do that kind of things before.

UC: What is it?

JIAQIANG: I just mentioned the Simplevicity.

UC: Oh, Simple…

JIAQIANG: Yeah.

UC: They did it?

JIAQIANG: Yeah, they did that.

UC: Hmm. And they're…

JIAQIANG: But, but I, I come out an idea is that, you know, because I think, for example, when you use it and you just direct use it you, for example, you use it and no matter you use in source code version or in RPM you just use it. And if IBM found that in…production with other things, you just buy the license. But at that time I think your company has, has become big to, to, to make IBM notice you.

UC: Oh. Is it expense, like if you were to buy this?

JIAQIANG: I don't think, a lot of people, you know, just, a lot of people just buy one license and use for a lot of things.

UC: But like, like twenty years of a development, like I how much do you think something like that would be worth? Do you think…

JIAQIANG: It's not very expensive. And especially, it's…

UC: Well, I mean to buy a license. But I mean if you think about the amount of development time, like, I'm just the way I'm, the reason I'm asking is because if I had to like sell to my people that we were going to write this ourselves, I want to be able to say listen, I can't bring in developers to write this. It took IBM twenty years to do this. It would cost me x amount of dollars. Like what would you think, how much do you think that would be for us do something like that? To bring in developers and start from ground, up and do it?

JIAQIANG: [Laughter] Uh…

UC: Like how much time, people, all of that?

JIAQIANG: So it depends on what kind of things you want to do and uh how much things, how many things you want to change.

UC: Right.

JIAQIANG: It's, it's a challenge and it's, it's, um, in terms of money for years working on that, it's quite complicated.

UC: Is it?

JIAQIANG: It's very complicated and it has very high skills and uh, you need to, you need to know a lot of things, it has a lot of prerequisites, so that's the reason why, uh, that's the reason why, you know, you need to hire some very skilled people to do it.

UC: Uhm-hm. Like how many people were working with you at the time you guys were doing this? Was it a lot?

JIAQIANG: Um, not many people. Globally there was thirty to forty developers.

UC: Working on that alone? Yeah, I mean that's unrealistic. There's no way I can hire that many people to build something like this from the ground up.

JIAQIANG: But you, but you know, in terms of code I think it's not too many people, you know, globally do it. Because there are too many things to do inside and uh, and uh, and IBM also has, the GPFS all have very high, like higher standard.

UC: Uhm-hm.

JIAQIANG: Especially to, because the code is very hard to understand.

UC: Gotcha.

JIAQIANG: Yes, so that's, that's the difficult thing.

UC: So let me ask you though, so…

JIAQIANG: But…

UC: Well I just wanted to understand so like you were saying, like in China it's a different environment than here, like if you were to, and you were saying the simp-, simplicity?

JIAQIANG: Simplevicity.

UC: Simplevicity, gotcha.

JIAQIANG: [Laughter].

UC: Like would I would be concerned is like I would like to do this and use it but what I would, what I-, like you said, it's a little bit more strict here in the United States, so I just would want to make sure that I'm not gonna get in trouble. So like, how could you modify that so that, it sounds like you guys already sorta did that, so you changed the commands and all that so it doesn't look like its theirs. Like, what would you do to actually modify it so it doesn't look like its IBM's when I use it here so I don't get in trouble.

JIAQIANG: You know, but, I mean, I mean it's not very easy to, to, you know, to realize this, the GPFS but it's not, it's not impossible…

UC: Right.

JIAQIANG: …because you can, because I, you cannot change, because if you want to change it completely you need to change all of the symbols and all of the function names and a lot of things. Because, otherwise, you know, IBM always, if, if they notice you and, uh, they heard something, and specifically, try to look at their product that they find. They have ways to find out, to find it out.

UC: Oh, they do?

JIAQIANG: Because there are lot of things they can do but actually, um, but we, what we did is just to change the cover a little.

UC: The like, the interface, or…?

JIAQIANG: Um, the, uh, the commands.

UC: Oh the commands.

JIAQIANG: Yeah, the commands. That's the one of the very first thing to do and but also, you know we do some internal things to, to do optimizations and to do some, also some, there is some bugs inside, you know. Even IBM did not notice that.

UC: Cool.

JIAQIANG: But, but that's not, but I think that's not a thing, um, if so if, uh, used in US I think it would be probably better just to use it.

UC: What, what do you mean? [To WAITER] It's really good, thank you… take up all the space here, sorry. You have room?... [To JIAQIANG] So what do you mean we, we would just use it?

JIAQIANG: Um, I just suggesting just, uh, you know, you just use it. And a lot of people in, in world, in the world use it. You know, I heard a lot of people are using it directly. They even don't, you know, don't buy license.

UC: But where would they get it from? How would they get that though? I don't understand.

JIAQIANG: They just use the RPM version.

UC: The what version?

JIAQIANG: R, RPM.

UC: Oh, RPM. Oh, I see.

JIAQIANG: Yeah.

UC: But like you're not doing that though. You actually have the full blown, which is good.

JIAQIANG: Yes, yes, so and they, they just, they can tell them not to change it. And just, uh use it directly and uh read some of the [U/I] online and try to install it. What they can do is to install it and do some small, uh changes, of their parameters. Yes.

UC: I guess, so if we, if we were to use the full blown version of This, um, that you have. You know when we looked at that server that you put in our, thank you for doing that, that was good because we could actually kinda see it in there and how the install happened, but there were lots of artifacts that actually said IBM on there, like…

JIAQIANG: Yes, that's the…

UC: How do you get rid of that?

JIAQIANG: Because yes, uh, we need to change, you need to do something to, you know, some scripts.

UC: You can do some scripts that would clean that up?

JIAQIANG: Yeah, to clean that up and, uh, but also you need to have all of the code because you need to recompile all of the things.

UC: Oh, that makes sense.

JIAQIANG: Yes.

UC: Yeah, I just, I mean the other day I, like you I just want to get these start-ups up and running, I just don't want to get in trouble. Like you know [laughter]. And here in the States, it's a little bit more strict than in China, so…

JIAQIANG: Yes, that's the thing. But you know, but, I don't think you are, if you are trying directly use it as starter system, it's, it might be, you know, have some trouble. But if you put, put some other thing, for example, some big data or something together with it, as a whole product, I mean…

[45:08]

UC: Gotcha. That's good so your company's doing well then, huh? How many…you guys have a lot clients already?

JIAQIANG: Yes, we're expanding.

UC: Are you the salesperson, too? Are you the one that goes out and does the sales?

JIAQIANG: No, no, no.

UC: Oh.

JIAQIANG: I still focus on the technical part.

UC: Gotcha.

JIAQIANG: And we have, and we have a co-founder has background…

UC: Want some coffee?

JIAQIANG: …we have a co-founder. He has some resources, government resources.

UC: Oh he has government resources?

Yes.

JIAQIANG: Wow. That's good.

So he is the big sales….

UC: So have you been able to get some government contracts then through that?

JIAQIANG: Yes. And some enterprises, governments, and some…

UC: What was that first thing, enprise? I didn't hear you. You were saying, enprises? What was that?

JIAQIANG: Um, no he, he's, um, he's the co-founder.

UC: Right.

JIAQIANG: Yeah, and, er, he, um, has some resources…and, um, his [U/I] manage the sales team in the start-up…And, er, um, I think the first…our first contract is from the Healthy Bureau.

UC: Right.

JIAQIANG: Yeah, that is from his resource.

UC: Oh so he had those connections.

JIAQIANG: Yes. He has connections, and, er….

UC: Oh that's good. That's the only way to do it, you know, is to have those pre-established connections and leverage them.

JIAQIANG: Yes.

UC: Does he have other connections too? Or you're just kind of doing cold calls?

JIAQIANG: Umm, has a lot of connections. [U/I] and, uh, um, we also do some…also have some customers for the college, colleges.

UC: Oh, colleges?

JIAQIANG: Yes.

UC: Oh, okay. Which schools are you working with?

JIAQIANG: A lot. You know, we spend…we have already installed the system in about, about, uh, forty colleges. Yeah.

UC: Ok.

JIAQIANG: And some of them are just, because maybe they need some trial, you know, before, before they sign on.

UC: Oh, so you gotta do some demos for them?

JIAQIANG: Um, no, they just try to put the data in the system and try it.

UC: Oh, I see.

JIAQIANG: And for 3 months, for example…

UC: To see if that's what they want?

JIAQIANG: Yes, to see whether it is stable. And whether it can work, and after 3 months…

UC: Oh, okay.

JIAQIANG: …they will decide whether to, to buy it or not.

UC: I see. Did you have to that with the Health Bureau too? Or did you just give them…did they already sign up a contract with you?

JIAQIANG: Um, because we have license already.

UC: What's that?

JIAQIANG: We have license. We have very strict license over their system. After 3 months, if they don't want to buy it…

UC: Oh, I see. So you guys modify that code and then you license it out to them, and they just buy the license?

JIAQIANG: Yes.

UC: Oh, I see…

JIAQIANG: Actually…[U/I].

UC: I got to imagine that's a lot of work. I mean, university systems alone, I'm sure they're very demanding.

JIAQIANG: Yeah.

UC: The health bureau is probably very demanding.

JIAQIANG: Yes. Because they know a lot of things.

UC: What does the Health Bureau do? Are they, are they like a governing organization for like health care or…?

JIAQIANG: Yes…all, all the things regulate health in China now.

UC: So that's like really sensitive data too that you're putting in there now.

JIAQIANG: Yes, yes.

UC: Like private info. So you got to be very careful that doesn't leak.

JIAQIANG: Yes, that's the reason why…we have two data centers. They want to back up, you know, all of the data.

UC: Uhm-hm.

JIAQIANG: Yeah. But that's also demonstrated the stability of the, of the system, because it has run for actually, it has run for more than half of a year now.

UC: Is that right?

JIAQIANG: Yes, it's very stable.

UC: But, I thought you said you guys started up like a few months back.

JIAQIANG: Ya, but we, you know, we just started test…you know we just first install it, and have some try…and we just, we just start up the company.

UC: Oh, so you had developed it a while ago, but then you just started the company.

JIAQIANG: Yes.

UC: Got you, I see.

JIAQIANG: Because we just want to see whether it can work, this kind of thing can work…. We can get contracts…

UC: Right.

JIAQIANG: …and we just start up.

UC: So what I don't want to do today is when we go to this meeting, I don't want to talk money with them. We can talk about that now, but they're really more, cause like, at the end of the day Rog is the one that funds all this, so um, um, we can chat about that before. And then really it's just you to sell yourself to them, like kind of like what you can offer. Talk about this company of yours because we may be able to, rather than recreate it, we can just leverage your company instead. So in terms of, like, compensation, um, I mean I look at this as like…having code of this nature that we don't have to recreate, I mean that saves us a ton of money, you know, and like I want you to think through exactly like how you'd want to be compensated, you know to work with us. Because at the end of day like, you got to make sure you're taking care of yourself, so…um like what do you, what would you value that at? And like how would you want to be compensated? Would you want like a steady salary? Would you want like a bonus?

JIAQIANG: [Laughter]. I, I need to think about this.

UC: I know, I know it's an awkward conver…or nobody wants to talk about money, but, um….

JIAQIANG: Yeah.

UC: …I want you to think it through, and like I want you to be realistic too because you know again Rog is funding a lot of these projects we've had in the past and he sees the value in all this, but I just want to make sure that I go to him and he understands what he's getting himself into.

JIAQIANG: So, so we just talk personally.

UC: Yeah please.

JIAQIANG: So, they…they do want to buy the code or…?

UC: Well, I think it would be multi-part. I think we'd want to buy it and then we would want you to help us or your company help us implement it.

JIAQIANG: Because you know, yes. Because you know…Actually the, the code itself is useless if you, if, if you are not working for several years…

UC: Well, we can't do anything with it. That's why we need you. [Laughter].

JIAQIANG: [Laughter].

UC: But on the same token, like, us…I'd assume you'd want to be compensated because of the value that you're bringing, which is that code

JIAQIANG: [Laughter]

UC: …right? I mean you're not in this for, you know, volunteering are you? [Laughter]… You can think about it, you don't have to, like, answer me right this minute. I just want you to start thinking about this because…

JIAQIANG: But, do we think I need to share with some, you know, all the teams?

UC: What's that?

JIAQIANG: I mean, do you think I need to share all of the code with all the people?

UC: No, I, I, I'd want to know from you, like, what we would need to do to sort of protect that. Like what you would be comfortable with, what you wouldn't be comfortable with. Like…

JIAQIANG: Because…

UC: …because they're not going to be able to do anything with it anyway. It would have to be your team. But we would have to essentially buy whatever you make us, right, at the end of the day?

JIAQIANG: I, I, I got your point. We can just…we just started up and, er, start-up, I think, but because at the beginning we are just a little bit conservative.

UC: Oh okay.

JIAQIANG: Yes.

UC: What does that mean though?

JIAQIANG: Um, I cannot propagate the code. A lot of people…if, if people, you know, for example IBM, find this, you know, it's very dangerous.

UC: Oh, it is.

JIAQIANG: Because people I propagate the data for. I have all of the source code.

UC: Oh.

JIAQIANG: Because, you know, I propagate to some people. And some people go to some other people, you know, it's....

UC: Oh I see what you're saying. You're concerned about it being further distributed.

JIAQIANG: Yes, that's, that's, that's the thing [U/I]. And also, I think it's useless if, if, if they do not work over it and it do not know, they do not know their int…internal principles of the code.

UC: Right.

JIAQIANG: Yeah, it's also useless for them.

UC: Right.

JIAQIANG: Yes, so…hm…so that's a…yeah.

UC: So what, I mean, what would you propose instead of, like, how would this work then? Because you, you clearly have to make something very specific for our needs, so how would that work?

JIAQIANG: I'm sorry…?

UC: So, if you, if we were to basically, um, work with you and leverage this code for our own special projects, like how would that work then? Like, I don't, like would we get our own instants? Would we, would you compile it and you would install it in our system? What are you thinking?

JIAQIANG: Hm…because every time, you know…Last time, I, I, I gave you, I installed the thing…

UC: Right.

JIAQIANG: …in system. I also recompiled it. Yeah.

UC: So you compiled everything?

JIAQIANG: Yeah, yeah, recompiled the system. And, er, although it has a lot of…Because I, because I did not change it at the locals, or the phones [ph] last time when we, when we install it…

UC: Uhm-hm.

JIAQIANG: …you can still see a lot of IBM things.

UC: That's not going to work, we got to take that out.

JIAQIANG: Because, because you know, I just want…

UC: It's just a test right?

JIAQIANG: Um, no…I just want to use it, uh, make it…originally. Because if I, because if I change it and I propagate, it's kind of different then. If I do not change it, and I, I use it, that's, that's, you know, just to use it. It's, it's, it's not, you know, it's normal.

UC: What do you mean it's normal?

JIAQIANG: Because you know, like, Simplevicity also use it.

UC: Oh.

JIAQIANG: They also grow its, grow up its company.

UC: Right.

JIAQIANG: It has become big now.

UC: Right, right.

JIAQIANG: Yeah, yeah.

UC: But, I mean, like you were saying before, you know, like here in the United States, you know, like, I mean it is IBM's code though right? I mean so like, we don't have permission to use it, per se, so, like, we don't, I didn't buy a license from them, so it would have to be changed in some fashion right?

JIAQIANG: Okay, so….

UC: Even if you did, even if you did an install, like it's still theirs, right? Wouldn't I get in trouble if I just used their code?

JIAQIANG: You, you just use their…for example, it just seems like…let's discuss it. For example, let's just make it like you are using the RPMs.

UC: But we would use the full thing.

JIAQIANG: No, a lot of people have their RPMs.

UC: RPM. And you download those from the site?

JIAQIANG: Uh, no. If you, I can tell you. Some people, you know, buy it. Buy, buy license, buy one license, very small license from, from IBM, and they distribute RPMs to other people. That's, that's one thing. So, so a lot of people have the IBM's…

UC: Gotcha.

JIAQIANG: Yeah, but, but, you know, if, um, another thing is…if we change it and we recompile it and make, make it appear totally, um, not totally, just appear slightly, a different thing and redistribute it…and, er, and, er, if for example IBM find it, they know that some people who had all the code, only some people who have all the code can do it because you change all of the things.

UC: Okay.

JIAQIANG: Just two aspects, yeah…So maybe we need to consider how, how we can do it.

UC: So what are your, what are your ideas then?

JIAQIANG: Hm…my idea, my idea is that, for example, from start up we can, from starting point we can just use it because, um, no one notice, notice you because you are small. For example your company is small.

UC: So it's small enough where there's not a lot of visibility. Like not enough people…nobody would see it, is that what you're saying?

JIAQIANG: Yes because, yeah. IBM is a giant, they have no time to notice all the people, all the companies, small companies…

UC: Right.

JIAQIANG: …right? But that's also their strategy for Simplevicity. They just use it when they are growing up…

UC: Uhm-hm.

JIAQIANG: …and later, they…but during that stage, they're also doing some changes or development of their own, their own systems.

UC: Uhm-hm.

JIAQIANG: And later, they change it totally.

UC: Gotcha.

JIAQIANG: Yeah, that's, that's what they do.

UC: So you're just saying, since we're small enough, use it as is. But what happens if we start growing?

JIAQIANG: So I think at this stage, during this stage we can do some things, no matter whether we change it completely or we, or we try to restart, rebuild another system.

UC: Right…that would be a huge effort…

JIAQIANG: Um…

UC: …to duplicate what they've done, though, right?

JIAQIANG: No, we don't need to duplicate what because, you know, for GPFS is gen…generic thing for all kind of things so that's the reason why it is, it's huge…

UC: Uhm-hm.

JIAQIANG: …it's giant...

UC: Uhm-hm.

JIAQIANG: …but, but if, but if we already have some customers and we have some specific scenarios and we did, did that, for that kind of customers…

UC: Right.

JIAQIANG: ….no matter whether it is media or cl…cloud computing, and it has its own sui…suitable things. That's not…

[59:44]

UC: I see. Okay well we can talk about that more as we, like, start building this out. Um, I guess I'd have to talk to the team as to how we'd want to move forward. Whether or not we would want to leverage your start-up or if we'd want to do something independent of it, it really is what you'd be comfortable with…um, let's say though, for example, we, um, let's say we do some…, would you, first of all, would you be willing to do something independently of the company with us? Is that something you'd be interested in, or you want to use your company?

JIAQIANG: I think it's okay, we can…

UC: Just between us?

JIAQIANG: Um, it's okay, the form [ph] is, is okay, you know, because, hm, we can collaborate, hm, any form is, is okay for me, yes.

UC: So it would be okay if we, like, we just worked together? Or…

JIAQIANG: We the team or the company or, just we, just we…?

UC: You and I, okay?

JIAQIANG: Yeah, it's okay.

UC: So, and I guess that's where we have a lot of legwork to do. Um, we gotta figure out exactly what we would have to build here, because you have a lot of contacts in China, which is giving you these contracts.

JIAQIANG: Yes.

UC: I have a lot of co…, Rog, specifically, has a lot of contacts here in the States, where I could foresee this growing. But we gotta move quickly, you know, and I don't wanna have to rebuild all this code, like, I'd want a nice robust system…

JIAQIANG: Yes.

UC: …that we could market to lots of people.

JIAQIANG: Yes.

UC: So, how would you, how would we do that? What if we wanted to recreate basically what you're doing there, here?

JIAQIANG: Hm…yes. I think…yes, we can, but it depends on…[U/I] market and what kind of resources we have in, in the States.

UC: Uhm-hm.

JIAQIANG: And, er, for example if people have their private cloud computing demands…

UC: Uhm-hm.

JIAQIANG: …and we can just recreate what I did in China here.

UC: Oh, I see…

JIAQIANG: And just, er, just, uh, if, equi…equivalent things…

UC: You would have to tell me exactly what we, what you would need. I don't think it's gonna be an issue, because the reality is: you have a proven model. You've done this already in China.

JIAQIANG: Yes.

UC: So, I could go to Rog and be like, listen, he's done this already with his start-up company. They already have customers in [U/I]. They've already done a lot of development on this code. We could basically mirror that here, and then we can leverage all of our contacts here to basically do what you're doing there.

JIAQIANG: Yes.

UC: Does that seem realistic, or is that, like, not what you're thinking of?

JIAQIANG: Yes, I think, think, yes, that's what I think, is because, um, because the whole thing is kind of the same here and there…

UC: Uhm-hm.

JIAQIANG: …and it's easier to manage and I some…, I update or upgrade something there or, or I did something there, I can apply it back to…[U/I].

UC: So, would we need to involve your other partner, then? Or would it just be you then?

JIAQIANG: It's okay [U/I]. Yeah I, I will have a team and some co-members who can work together…

UC: Okay.

JIAQIANG: …yeah, and, er, and also my coll…, because some…, the guys in my, in my start-up, they also know, know my trip here.

UC: Oh, I see.

JIAQIANG: Yes, so it…they want just we can have some collaborations together.

UC: And there's no concern with your investors there doing something similar here, do you think? Would, would be issues? Like somebody's already invested…

JIAQIANG: No, no, you know…the invest…the investors, they recommend us to do this, you know, because, they just want me, us to, you know, to, to, to grow the company, and, er, it's kind of like we are growing the company to the US, just maybe further, later we set, set a branch here, something like this.

UC: Well, so, I mean, who's the investor again? What did you say their name was?

JIAQIANG: For…Fortune Venture.

UC: Oh, Fortune Venture.

JIAQIANG: Yes.

UC: And they're located in Beijing?

JIAQIANG: Um…in Xinjiang [ph]. An…another big city in China, and they have a lot of branches…

UC: Oh.

JIAQIANG: …yeah, in China, and globally.

UC: Okay. Okay, and I guess we can talk about those when we move forward, but, so, I mean, again, we're, we have this whole project with Armorancap. That's something completely separate. But I'm just trying to think of like what we could do, you and I, like, in a business here basically using, leveraging what you are already able to do.

JIAQIANG: Uhm-hm.

UC: So, um, I mean, first thought that comes to my mind is basically what you were saying: recreate what you've done in Beijing here. Leveraging my contacts, you would have to give us some direction as to, like, who we should start targeting, and like kind of like what the service would be, but, um, you know, if that was something that you'd be interested in, I could start talking to Rog more about that prospect as well.

JIAQIANG: Um, yes, um, because we have just tested and it's okay, and, er, in China, and I think it should be okay in US.

UC: What do you mean…?

JIAQIANG: Yeah, a, a, a….at least, er, I mean if this kind of form, this, this kind of doing things…

UC: This platform, like?

JIAQIANG: Yes, the platform, and, uh, at least, er, I think it is stable and all things can go smooth…

UC: Uhm-hm.

JIAQIANG: …as in China.

UC: Uhm-hm.

JIAQIANG: And I think, um, it should be okay in US.

UC: Uhm-hm. What are your concerns?

JIAQIANG: Um, but, the concern is the, the market. I, I in market aspect. You know, we, we need to have those, kind of, customers…

UC: Uhm-hm.

JIAQIANG: …who can, you know, who can trust in the platform.

UC: Uhm-hm.

JIAQIANG: That's not the technical part.

UC: Well, and that's, I think, where we come in, because we've done business with these folks all along. If we can go back to them and say, listen, we're starting up this new branch, we're, we're doing this. We already have the bona fides; they already trust us. I think that's been established. It's just we…the thing is: I don't want to deliver them a bad product. Like, it would have to be solid, stable platform where…

JIAQIANG: Yes.

UC: …when they use it, they know that they're getting the service that they're asking for. Because a lot of these companies don't wanna manage their own storage. They're gonna want to leverage, you know, the experts, *i.e.* you, to do this kind of stuff, so, but we would have to build all that, haha, you know what I mean? And how, like, how long would that take for us to build, kind of recreate what you've done there, here?

JIAQIANG: Hm…. Um, between two half….um, thing is, actually, just to recreate it is, it's, it's not much work to do, but we need to some guys, uh, you know, in, in the States to do, for example, to do installations.

UC: Uhm-hm.

JIAQIANG: Or to do operations.

UC: Right.

JIAQIANG: And things like that. To, for example, to go to the data centers, to install things, and to establish the [U/I] and install their softwares…

UC: Uhm-hm.

JIAQIANG: …that's, we need to, I mean, have some guys.

UC: Okay.

JIAQIANG: Locally.

UC: That would live here. You can't do that remotely.

JIAQIANG: Um, actually, we can do it remotely, but, but still, still there's some guys here needs to assist us with some of their, you know, their network system, network environment [U/I]…the…they, in, in their data centers, they are, they are prohibited for their, you know, the outer access into that, so, yeah, so we…

UC: Oh, so we need physical access is what you're saying?

JIAQIANG: Uh, no. Just, I, I just, what I just mean is that, um, some of their network they have restrictions in some companies.

UC: Oh.

JIAQIANG: You, you know. You can go, you can have some people go to their data centers and do, and, er, install things, and establish things internally.

UC: Uhm-hm.

JIAQIANG: But, they do not, they do not allow, you know, their out connections…

UC: Oh.

JIAQIANG: Yes.

UC: You can't SSH in, or something like that.

JIAQIANG: Yes, yes. But if we can, can access it, it's okay.

UC: Oh, I see.

JIAQIANG: But we, you know, we, but we have a lot of customers in China, that's, for example, the militaries, military customers.

UC: You have military customers?

JIAQIANG: Yes.

UC: Oh, okay.

JIAQIANG: That's…

UC: And they're using all that big data also then? Or that, that system that you built?

JIAQIANG: Yeah.

UC: Oh, I see. That's good, though, because, like, on top of [ph] Rog, I think it gives him, it'll give him some idea of what you've already done with it. Like the fact that you've done something with the Health Administration, which is a massive entity in China. You've done stuff with the military. Like, we could theoretically try to start trying to do that here and start targeting those markets, because we have done government contracts before, and, um….

JIAQIANG: Yes. So you, you have customers already used to a system…

UC: Yes.

JIAQIANG: …so they trust you, and, and later you recommend something to them, they, they, they, they trust, you know, they trust your product.

UC: Right. Hm…

JIAQIANG: That's [U/I].

UC: So, within the last six months you were able to get the health, health organization as well as the military on board? Is that through your, your, your, your friend? I forgot what his name was. Tao, or whatever?

JIAQIANG: Tao. Uh, um, we, you know, we have a lot of, um, we have ten people, uh, for, for technical part….

UC: Hm.

JIAQIANG: …we got ten people, we have operations, you know. It's not, it's not a thing, you know, it's nothing for two or three people can do it. It's a huge thing, you know…

UC: Uhm-hm.

JIAQIANG: …it has all kinds of people, they do their, do their work. They do installations; they do, uh, sales; they do operations; and…

UC: Oh, I see.

JIAQIANG: …they do technical answering the emails, do technical [U/I], and I guarantee their, uh, their [U/I]…

UC: Gotcha.

JIAQIANG: …yeah, so it's….

UC: So your technical team, all they're doing is focusing on that IBM GPFS code. And then you have people marketing it.

JIAQIANG: Uh, no, not all of them…

UC: Oh, I see.

JIAQIANG: …because we have other things, because it, you know, it's a, uh, what we did is, uh, is a platform to provide, provide cloud computing. So, so storage is just one layer, so we have people doing digital [U/I]…

UC: Oh, I see.

JIAQIANG: And, er, the, and a platform to manage the cloud, you know, to manage all of the virtual machines [U/I]…

UC: Uhm-hm. That's a huge undertaking, too.

JIAQIANG: Yes, yes.

UC: And does that all tap in to the, the, um, the big data that, that, that…

JIAQIANG: You can't, you can't, you can't, you can't install any kind of big data, for example, [U/I] on top of, on top of the platform.

UC: Uhm-hm.

JIAQIANG: Because we provide the virtual machines…

UC: Uhm-hm.

JIAQIANG: You can install that. Yeah.

UC: So, hm, that's interesting.

JIAQIANG: It works, yeah.

UC: Like, I'm sure there are standards that we have to meet. I, I'd have to look into it. I haven't worked with the government in terms of like contracts, or, but I'm sure there would be standards we would have to meet in order to store their information. I imagine you had to do something like that, too, right? Like in China. Like there's probably restrictions to make sure it's secure. Like would you have to articulate what you would do to secure it so that you could acquire those contracts? Like how does that work?

JIAQIANG: What do you mean? To secure…?

UC: Like, for example, I, I was recently reading about Amazon, and their cloud computing. And I guess they now have built a platform that has been blessed by US government for us to store information on there. So like I imagine you kind of had to go through something similar. Is that what you guys had to do in your company? Like, I doubt the government would be like, we're just gonna put our data on there. You probably had to articulate the methods, or, or what you've done to ensure the fact that it, you know, it's gonna be secure.

JIAQIANG: Um, I, I, I know what you mean. Um, actually, um, it, actually we did not enable that. Because, you know, in [U/I], it has features to, to do encryptions.

UC: Oh, encryption. Gotcha.

JIAQIANG: Yes, yes. But we, but, but for, because, you know, what our customers, currently they, they just use, use it as a private cloud instead of the public cloud.

UC: Oh. So that's…

JIAQIANG: So that's different.

UC: …it's sort of like security because it's…

JIAQIANG: Yes, it's internally.

UC: [U/I].

JIAQIANG: That's the thing.

UC: Gotcha. That makes sense, okay. Well this is good. You know, like, I do want you to meet with Rog and start talking about this. Um, so I, I know this is a touchy subject, but, like I wanna figure out compensation so like what we would be getting ourselves into if we went down this path. Um, do you have any thoughts on this at all?

JIAQIANG: Um, well I need to think about this.

UC: I understand, I understand.

JIAQIANG: Yeah. [U/I] talk with them…

UC: Do you…so, and he's staying here, and, and I told him I was gonna meet with you this morning, just, just to chat, and then, um, we were gonna meet with him briefly before we went to the formal meeting. So maybe we'll just do that, give you some time to kind of think this through a little bit, you know? And, and see, you know, kind of come up with some ideas and proposals. And maybe we can just kind of talk with him a little bit more, just to give a ballpark idea. Like, I'd like you to talk a little bit about what you're saying to him. You know, like, basically what you did with the company there, and what you did do here, you know, and why this would be a value to us. Again, I mean, he's, he's, he's done some pretty amazing things for us in terms of funding our prior projects, so like, I've never had an issue with money with him. Whenever I've asked, he's given to us. And we've always returned on his investment, so he trusts us. He trusts…by us, I mean me. [Laughs]. So… Are you still hungry? You want something else, or…?

JIAQIANG: Uh, no.

UC: No, okay.

JIAQIANG: How long have you, have you been collaborating with, with Rog?

UC: Oh, a few years now, yeah.

JIAQIANG: Few years.

UC: Yeah, yeah. We've known each other, um, we met up, I guess it was maybe three or four years ago. Yeah, and um, we've, we've had some, um, um, dealings but in the past. It was small initially, but then he saw the potential. Especially now with the cyber security and what we're doing with Armorancap. You got people…the problem is is you see all these hacks that are happening, you know, with like Target, OPM, all that stuff, like, people out there are asking for these services to protect their networks. So they want us to come in, do audits, and that's why that company's growing very quickly.

JIAQIANG: Yes.

UC: But we wanna create platforms now to start securing, because they, these companies can't do it themselves. Like, clearly, as you're seeing in the news, they're not doing a good job. So…

JIAQIANG: Yeah.

UC: …we're, we wanna get in that market where we actually can secure their information so that it's better protected. So I would like to talk to you more about the encryption piece of GPFS, you were just mentioning it. It's probably something we'd be interested in.

JIAQIANG: I, I see. So, that would be…[U/I] company…

UC: Uhm-hm.

JIAQIANG: So, for the…, so, so Rog is, is not a co-founder of that company?

UC: He's the financier. He's the one who's, who's financing this company.

JIAQIANG: Ah, financier.

UC: Your, your, your co-founders are gonna be Kim, and then you're gonna meet Lawrence later on. And you…Kim is the one who set up your trip to come here.

JIAQIANG: Yeah.

UC: Have you talked to her at all before? Has she reached out to you…

JIAQIANG: Um, no.

UC: …other than… okay. So, she's the one who arranged for your, your trip here, um, and I've been working with them. She's sort of, like, you'll meet her. She's got a great personality, she can sell anything, so… [Laughter].

JIAQIANG: Oh. [Laughter].

UC: …she's out there. She's got a lot of great contacts, and she's been selling our services, and same thing with Lawrence. My, my role is that when we pick, get these projects, I then outsource a lot of this work and I coordinate. I'm, I'm more of like a project manager, if you will, a lead. I mean I used to do development. That was my background. I did a lot of programming. Um, but now I'm getting more into that, that managerial role, for this particular company. Managing the project…because, at the end of the day, you need somebody who's coordinating all these teams. There's…

JIAQIANG: Yes.

UC: …various aspects to it, so, um…

JIAQIANG: I, I, I understand.

UC: …that's my role. And, plus, like, you know, I approached them a while back about this, and then Rog, you know, I used Rog in terms of funding it. So, and he, he funded the company. And it, it's, it's taken off. So we're doing very well right now. We have an office here in White Plains. I'm never here, though. I'm traveling like meeting with clients and everything else, so, yeah.

JIAQIANG: S…, okay, I see. You are not liv…, you do not live here.

UC: No I live in New York City, but I'm…

JIAQIANG: Oh.

UC: …traveling a lot. I live down towards the City more, not up here in White Plains. I come up here – it's not that far.

JIAQIANG: Yeah, yeah.

UC: It's an hour drive, but, um…. We have a lot of clients in the City, so I spend a lot of time down there.

JIAQIANG: Oh.

UC: But then we have some on the west coast, um, in sort of some of the Midwest states, too. So…

JIAQIANG: I see.

UC: So what do you like to do other than programming?

JIAQIANG: [Laughs].

UC: Or you just work all the time?

JIAQIANG: Um, actually, you know, um, sometimes I just, er, play, play chess, or…

UC: Oh, you're a chess player?

JIAQIANG: [Laughs] Not very good.

UC: Are you good? [Laughter]

JIAQIANG: Not very good at that. And sometimes I do some exercises and fitness [U/I], but not, not, but, you know, when I start up a company a lot of things – too busy.

UC: Oh, you're too busy?

JIAQIANG: And, uh, previously I do some badminton.

UC: Oh, badminton.

JIAQIANG: Yeah. [Laughter]

UC: Okay. Alright, that's cool.

JIAQIANG: And, just things like this. But, you know, just, when start up company, you…

UC: A lot of work.

JIAQIANG: …huge…yeah, quite a lot of work.

UC: [Laughs] I know. I have no personal life. All I'm doing is traveling and meeting with clients. I hear ya.

JIAQIANG: You know, yeah. I also did quite a lot of traveling in China, you know, [U/I]…

UC: Before the start-up?

JIAQIANG: Yeah, before the start-up. Especially we, um, especially at the starting three months, because we did not hire the pre-sales person.

UC: Oh.

JIAQIANG: But, but now we have two pre-sales. So they can just travel in…

UC: Oh, really?

JIAQIANG: Yeah.

UC: How many clients do you guys have?

JIAQIANG: Uh, lot, I think.

UC: Oh.

JIAQIANG: We just, er, we, we do some…we just, we just do some, uh, promotions and in several cities in China…

UC: Uhm-hm.

JIAQIANG: …to promote product.

UC: Uhm-hm.

JIAQIANG: And a lot of people are very interested.

UC: They're interested?

JIAQIANG: Yeah, very interested.

UC: Oh. Do you have a lot of people signed up already, or just a few?

JIAQIANG: Um, they, a lot of, a lot of customers has already tried. They are trying, you know, they are, they are using it.

UC: Oh, they are?

JIAQIANG: Yeah.

UC: But they're going through a trial phase at this point…

JIAQIANG: Yeah, yeah.

UC: …to see if they like it?

JIAQIANG: Yeah.

UC: Kind of like what the university is doing?

JIAQIANG: Uh, universities and enterprises.

UC: Enterprises?

JIAQIANG: Yes.

UC: Do you, but do you, do you already have it signed up a lot of the contracts or no?

JIAQIANG: Uh, yes.

UC: Oh, you do?

JIAQIANG: Uh, one…two hundred, two hundred, two million, yeah.

UC: Two million contracts?

JIAQIANG: No, no. I mean two million, um, income.

UC: Oh, income.

JIAQIANG: Yeah, yeah.

UC: Oh, I see.

JIAQIANG: Yeah, two million US dollars.

UC: Wow – that's good.

JIAQIANG: Yes.

UC: And part of that's from the health, that health organization?

JIAQIANG: Yeah.

UC: And the military?

JIAQIANG: Yeah. For that contract it's about, uh, twenty, thirty, yeah, thirty, uh, thirty…one three million? Yeah.

UC: One point three million?

JIAQIANG: Yeah for that, for that contract, yeah.

UC: I imagine the military contract's probably pretty lucrative, too.

JIAQIANG: That's, um, that's a lot, and, er, and we did some…in the military we do, help them to build up a system to, for, for, for H…HPC, the high performance computing.

UC: Oh.

JIAQIANG: They utilize the GPUs to…

UC: Got ya.

JIAQIANG: …do, to do parallel, parallel…

UC: Parallel computing?

JIAQIANG: Yes. And, er, they need a system that is, they need a storage system they, they have, uh, ten thousand, ten thousand millions of files.

UC: Wow.

JIAQIANG: Wow. It's very huge. And, uh…

WAITER: [U/I] plates?

UC: Oh, thank you.

JIAQIANG: …most of them are s…, are small files.

UC: Yeah.

JIAQIANG: And then you, and, er, they provide files to, to, to GPU and to do parallel compu…computing, and, er, they need a storage system that quick en…quickly enough. Otherwise the GPU need to wait for their…

UC: Oh.

JIAQIANG: …storage to…

UC: So there'd be a lag?

JIAQIANG: Yes. So, um, they want to utilize their network, the infinite band network.

UC: Uhm-hm.

JIAQIANG: That's, er, that's much faster than their ten gigabytes or, yeah, so…

UC: So then it uses that GPFS system in order to have those fast read-writes?

JIAQIANG: Yes, because GPFS can, can utilize their infinite band.

UC: Oh, I see.

JIAQIANG: Because that's a, yes, that's a reason why [U/I].

UC: That's really good.

JIAQIANG: Yes.

UC: You've done well.

JIAQIANG: So, because it is designed for, for high-performance computing and super computers, so that's the reason, so has good performance.

UC: Uhm-hm.

JIAQIANG: So, I think a lot of things can be done.

UC: Yeah. [Voices overlap]. I think there's some, a lot of opportunities here. I like this idea of maybe recreating what you've done here. I mean it's really no skin off your back, right? Because, like, you've already done it, you know?

JIAQIANG: Yes.

UC: It's just a matter of recreating it here…

JIAQIANG: At least the technic part is okay.

UC: Well we got resources for everything else, like…

JIAQIANG: Yes, so I think it's, it should be okay for us.

UC: Uhm-hm.

JIAQIANG: Yeah.

UC: Is your, does your fiancé work with you guys, or does she do something else?

JIAQIANG: [Laughter] No, she, she is work, working in some other company in, yeah, do some scientific instrument things, yeah.

UC: Oh, is she a researcher, or…?

JIAQIANG: Uh, uh, presales.

UC: Oh, sales, gotcha.

JIAQIANG: Presales.

UC: Presales?

JIAQIANG: Knows some technical things…

UC: Hm.

JIAQIANG: …and, yeah.

UC: Okay.

JIAQIANG: And help the sales to…

UC: [Laughter]

JIAQIANG: Yeah.

UC: Alright so it's, it's ten o'clock right now, ten fifteen, um, would… I'm sorry were you gonna say something?

JIAQIANG: Uh, so we are going to meet with them in afternoon?

UC: Yeah, around two o'clock.

JIAQIANG: Oh.

UC: [To WAITER] Thank you. [To JIAQIANG] Um, but I would like to meet with Rog first.

JIAQIANG: Okay.

UC: So, um, do you wanna go get cleaned up? And then we'll have a meeting with Rog, and then we can meet with these guys? Like what time do you thi…how much time do you think you would need?

JIAQIANG: It's okay. I…It's okay, I just, uh, bring the bag [U/I].

UC: Is…um, just out of curiosity, is, is all the coding stuff on your laptop there, or do you have it somewhere else?

JIAQIANG: Uh, it's, yeah, in the laptop.

UC: It's on your laptop? Okay.

JIAQIANG: …do demonstrations.

UC: So you could actually show it to him if we, if we wanted to?

JIAQIANG: Yeah, yeah, yeah.

UC: Okay, cuz I haven't shown him the servers yet. I showed my team – they were looking at it, but it'd be kind of…he's a visual guy, like it would be helpful for you to kind of…

JIAQIANG: Yes.

UC: …demonstrate some of this stuff. Um, do you wanna try for like eleven o'clock? That's give you like forty-five minutes?

JIAQIANG: Okay.

UC: And you can kind of relax and…if you want you could clean up. You don't need to if you don't want to.

JIAQIANG: [Laughter]

UC: Like, later on we'll meet with the bosses, so it's up to you what you want to do.

JIAQIANG: Eleven o'clock? It's okay.

UC: So, then, like forty-five minutes or so?

JIAQIANG: Yeah.

UC: Okay, alright, well why don't we do that? Um, why don't we plan on meeting, I'll be right in this area around eleven.

JIAQIANG: Okay.

UC: How's that? Will that work for you?

JIAQIANG: Yeah, it's okay.

UC: Ah, I'm very excited. [Laughter]. This is good, so…alright, well why don't you go, you know, relax for a little bit, and, uh, I'll give him a call. He's in the area, so it won't be that hard to set this up, and then, uh, we'll just meet down here at eleven.

JIAQIANG: Okay.

UC: Alright?

JIAQIANG: Okay.

UC: Alright, great. I'll see you in a little bit, then, okay?

JIAQIANG: [U/I].

UC: Alright, don't forget your coat there.

JIAQIANG: See ya.

UC: Alright, so long, thank you.

[END OF RECORDING]